



LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lt. Governor

Kenneth C. Holt
Secretary

July 17, 2019

Directive 2019-16

TO: ALL PARTICIPATING LENDERS

SUBJECT: MONTGOMERY HOMEOWNERSHIP PROGRAM – PHASE IV

As a result of the very successful Phases I, II and III of the Montgomery Homeownership Program, the Community Development Administration, in collaboration with Montgomery County is pleased to announce that effective today Phase IV is open to accept reservations. Lenders may reserve Montgomery Homeownership loans until the funds are fully committed; status will be posted weekly on the rate sheet and a flashing bulletin will be posted on Lender Online as the end of the program nears. The Montgomery Homeownership Program is designed to assist eligible homebuyers who purchase a home in Montgomery County by combining a Maryland Mortgage Program (MMP) first loan with a generous Down Payment Assistance (DPA) second loan.

Highlights of the program are:

- Montgomery Homeownership Program second lien will be a zero percent deferred DPA loan
- Maximum DPA loan will be 40% of total household income, up to a maximum of \$25,000.00
- DPA funds may be used for down payment and/or closing costs
- It can be combined with a Special Assistance Grant (SAG); there is a Credit 640 version
- Partner Match Programs – No matching funds provided; however, the DPA may be combined with available external assistance that meets agency guidelines
- Maryland HomeCredit Program – Available with this product (fee applies)
- Borrowers must meet all MMP and agency requirements

Bond Series and New Program codes for the Montgomery Homeownership Program:

1st Mortgage:

Bond Series: 894 - MNTGMRY HM GOVT/CONV

Program Codes: 572 - MNTGMRY HMOWNRSH IP GOVT
573 - MNTGMRY HMOWNRSH IP CONV
574 - MNTGMRY HM IV GOVT-CREDIT 640 FHA



Bond Series: 884 - MNTGMRY HM FFLMC GOVT/CONV

Program Codes: 783 - MNTGMRY HM IV CONV+1500 SAG
784 - MNTGMRY HM IV CONV+2500 SAG

Bond Series: 724 - MNTGMRY HM MCC

Program Codes: 575 - MCC+GOVT MNTGMRY HMOWNRSHIP IV
576 - MCC+CONV MNTGMRY HMOWNRSHIP IV
577 - MCC+MNTGMRY HM IV GOVT-CREDIT 640 FHA

Bond Series: 729 - MNTGMRY HM FFLMC MCC

Program Codes: 785 - MCC CONV MNTGMRY HM IV +1500 SAG
786 - MCC CONV MNTGMRY HM IV +2500 SAG

2nd MTG/DPA:

Bond Series: 987 - MNTGMRY HM DPA
Program Code: 980 - 40% DPA MNTGMRY HMOWNRSHIP
Sub-Program Code: 937 - MNTGMRY HM DPA

For complete program details, please refer to the information and fact sheet located on the website at <http://mmp.maryland.gov/montgomery>.

As always, we appreciate your continued participation in our programs.

If you have any questions concerning this Notification or suggestions for improvements, please email singlefamilyhousing.dhcd@maryland.gov.

Sincerely,

Karl Metzgar

Karl Metzgar
Assistant Director / Operations Manager
Single Family Housing

